This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 02 SOFIA 001826

SIPDIS

SENSITIVE

E.O. 12958: N/A TAGS: <u>PGOV</u> <u>BU</u>

SUBJECT: SOFIA MAYOR'S ELECTION TESTS RULING COALITION STABILITY

Ref: (A) SOFIA 1134, (B) SOFIA 1450, (C) SOFIA 1598

11. (SBU) SUMMARY: Bulgaria will hold mayoral by-elections October 29 in Sofia and seven other cities where mayors were elected to parliament in the June general elections (Ref. A). The partners in the Socialist-led government have failed, however, to agree on joint candidates, turning the by-elections into a test for the fledgling ruling coalition. The Bulgarian Socialist Party (BSP) and its coalition partner, the National Movement for Simeon II (NMSS), have named two of their most prominent figures to compete against each other in the key Sofia race. While that is unlikely to affect government stability, it will raise tension among the coalition partners. The participation of the hugely popular former Interior Ministry Chief Secretary Boiko Borissov in the Sofia race adds another element of unpredictability. Borissov, who is running as an independent and according to polls enjoys a strong lead, hopes this election will be his springboard to a national political career. END SUMMARY

THE SOFIA RACE: KEY CONTESTANTS

- 12. (U) Fifteen candidates contest the Sofia race, which follows the election to parliament of ten-year mayor Stefan Sofianski. Polls suggest five candidates have a realistic chance of winning: Socialist Party entrant Gen. Borissov (the Socialist Party took the most votes in Sofia in the June vote) as well as the nominees of the NMSS and the two major center-right parties. The weak and fragmented center-right groups failed to name a joint nominee, hobbling their candidates in this traditional center-right stronghold. The extreme nationalist group Ataka, which ranked fourth in the June general elections, has not registered a candidate for the Sofia by-election.
- 13. (SBU) BOIKO BORISSOV, who resigned as Interior Ministry Chief Secretary last month over disagreements with the new Socialist Interior Minister (Ref. C), has consistently led opinion polls over the past four years. His Armani-clad tough-guy image, plain language and close ties with local media have been key to the popularity of the former firefighter and national karate champion. Even after quitting the ministry, Borissov continues to boast about his successful police operations, stressing his ties with the Western security services. His opponents, however, point to his past connections with strong-arm groups and unsavory business interests. The charismatic general, who previously served as a bodyguard for ex-PM Simeon Saxe-Coburg, portrays himself as an alternative to the party candidates and the political status quo. He told us in a recent meeting he planned to use the Sofia race to jumpstart a career on a national level, with future plans possibly including the launch of a new political party.
- 14. (SBU) TATYANA DONCHEVA, the Socialist Party candidate, has been an MP since 1997 and is arguably one of the boldest figures within the BSP. She is respected and feared for her rhetorical skills and sometimes sharp language, which she uses to attack both political opponents and her own party leaders. A former prosecutor and attorney, Doncheva's criticism of the old guard in the Socialist Party has shaped her image as a rebel within her own group. Most notably, she openly questioned PM Sergei Stanishev's nomination, saying he lacked the experience for the job and could be easily manipulated. Many perceive her mayoral candidacy as an attempt by the BSP leadership to at least partially marginalize her. Doncheva may also attract support from centrist and even some center-right voters. In many ways, Doncheva appears as the candidate most interested in actually tackling the problems Sofia's next mayor must face. At the same time, however, she appears too bold for the old-fashioned ex-communists, who may prefer to back Borissov or stay home.
- 15. (SBU) MILEN VELCHEV, the former Finance Minister who led a team of Western-educated reformers in Simeon Saxe-Coburg's government, entered the race after an 11th-hour decision by the ex-king about the NMSS nomination. A former investment banker who served as a vice-president of Merrill Lynch in London before taking office as a minister in 2001, Velchev has gained respect both at home and abroad for his sound macroeconomic policies. One of the most popular ministers in the previous government, he has developed a reputation as a responsible politician loyal to ex-PM Simeon. Simeon recently named him an NMSS deputy chairman. Velchev enjoys the support of well-educated young voters but his inability to talk in plain language about Sofia's day-to-day problems (stray dogs and garbage collection and the like) make it difficult for him to connect with the average voter.
- 16. (SBU) SVETOSLAV GAVRIISKI, a respected financier who served as

Central Bank Governor in 1997-2003, is the candidate of the Democrats for Strong Bulgaria (DSB), the center-right party of ex-PM Ivan Kostov, which enjoys considerable support in Sofia. Gavriiski is widely credited for introducing in 1997 the currency board regime, which laid the groundwork for Bulgaria's current financial stability. His impressive record as central bank chief is recognized even by his opponents in the race. The media-shy Gavriiski, who lacks the speaking skills and charisma of his opponents, appeals to a highly-educated segment of Sofia voters and has difficulty reaching out to voters beyond the DSB base.

17. (SBU) MINKO GERDZHIKOV, the nominee of the center-right Union of Democratic Forces (UDF) and four smaller center-right groups, has served as acting Mayor since former Mayor Sofianski quit in May to launch his campaign for parliament. A former deputy economy minister, Gerdzhikov has also served as commercial attach in Greece and briefly worked as an advisor to the energy arm of controversial business conglomerate Multigroup. Unlike other candidates, Gerdzhikov is already familiar with Sofia's problems and has a detailed plan to address them. Compared to his rivals, however, he is the least known to the public.

BORISSOV RETAINS LEAD, BUT SURPRISES POSSIBLE

18. (SBU) All recent opinion surveys show Borissov as the frontrunner in the Sofia race, although his strong lead over the Socialist candidate is shrinking. The three center-right candidates are almost on par. An opinion poll published October 19 by the Center for Public Opinion Research shows Borissov with 35 percent of the vote, followed by Doncheva with 17.4 percent, Velchev (8.4 percent), Gavriiski (8.4 percent) and Gerdzhikov (7.5 percent). Analysts note, however, that support for Borissov is soft and polls are unreliable.

ELECTION RULES AND PROCEDURES

19. (U) In addition to Sofia, mayoral by-elections will be held in seven other towns, the largest of which are Rousse and Razgrad in northern Bulgaria. The elections are preceded by a 25-day campaign which began October 3. Election results will be announced by municipal electoral commissions within 72 hours of the 8 p.m. poll closing. Where no mayoral candidate wins more than 50 percent of the vote in the first round, a run-off will be held a week later between the two front-runners. The winner in the run-off is determined by a simple majority. The mayors will serve until the next regular local elections -- due in the autumn of 2007 -- instead of a full four-year term. Bulgarians living abroad do not vote in municipal elections.

ELECTION UNLIKELY TO AFFECT COALITION STABILITY

110. (SBU) COMMENT: The Sofia race will likely come down to a battle between the popular Borissov and the Socialist candidate, but a surprise strong showing by any of the main center-right candidates is possible. Borissov has added an element of unpredictability to the race, which will almost certainly be decided by a run-off. Whatever the outcome, analysts and party insiders say the Sofia election is not likely to affect the near-term stability of the ruling coalition, particularly since the nominees of the Socialist Party and Simeon's movement are unlikely to face each other in a run-off.

LEVINE